

**MINUTES
of the
SIXTH MEETING
of the
INDIAN AFFAIRS COMMITTEE**

**November 2-3, 2006
Pueblo of Sandia
Santa Fe**

The sixth meeting of the Indian Affairs Committee for the 2006 interim was called to order by Representative Nick L. Salazar on Thursday, November 2, 2006, at 10:55 a.m. in the Sandia Resort and Casino at the Pueblo of Sandia, New Mexico.

Present

Rep. James Roger Madalena, Co-chair (11/2)
Sen. John Pinto, Co-chair
Sen. Dianna J. Duran
Rep. Irvin Harrison (11/2)
Rep. Patricia A. Lundstrom (11/2)
Sen. Nancy Rodriguez
Sen. John C. Ryan
Rep. Don L. Tripp (11/3)
Sen. Leonard Tsosie (11/2)

Advisory Members

Sen. Ben D. Altamirano
Sen. Joseph J. Carraro
Sen. Richard C. Martinez
Rep. Debbie A. Rodella (11/2)
Rep. Nick L. Salazar
Rep. Gloria C. Vaughn (11/3)

Absent

Sen. Rod Adair
Rep. Ray Begaye
Rep. Manuel G. Herrera
Sen. Lidio G. Rainaldi
Rep. W. C. "Dub" Williams
Rep. Teresa A. Zanetti

Rep. Ben Lujan
Sen. William E. Sharer

(Attendance dates are noted for those members not present for the entire meeting.)

Staff

Charles H. Van Gorder
Kate Ferlic

Guests

The guest list is in the meeting file.

Handouts

Copies of all handouts and written testimony are in the meeting file.

Thursday, November 2 — Sandia Resort and Casino

Pueblo of Sandia — Status Update

Governor Lawrence R. Gutierrez welcomed the committee to the Pueblo of Sandia and the Sandia Resort and Casino. Governor Gutierrez reviewed the recent construction project at the resort and casino and indicated that the pueblo now has 2,000 employees. Kathy Potter, director of education for the pueblo, stressed that the pueblo seeks to get students graduated with skills that match post-secondary programs, and expects a 100 percent high school graduation rate. The pueblo's facilities also include a wellness center that addresses health issues such as diabetes and heart disease. She reviewed the Indian education status report and observed that present levels of achievement are not acceptable. The learning style of Native American students are often different from other students and they may get overlooked. Teachers need training on how to teach students with different ethnic backgrounds. The tribal council has discussed the possibility of starting its own school system. Alex Puglisi, environmental director for the pueblo, addressed concerns regarding water quality, tribal water rights, solid waste, consultation on traditional cultural sites and storm water runoff. Frank Chavez, economic development director for the pueblo, noted that the pueblo is the eleventh largest employer within the Albuquerque metropolitan area.

Native American Veterans Service Issues

John M. Garcia, secretary of veterans' services, and Lou Helwig, director of field services for the Veterans' Services Department, briefed the committee on issues related to veterans' affairs. The department employs 35 people, of whom 17 are accredited veterans services' officers who provide outreach to veterans. There are an estimated 181,519 veterans living in New Mexico, of whom about 15,000 are Native American. Native Americans are the highest percentage ethnic group participating in the military but have the lowest percentage of veterans working with the Veterans Administration for medical services. Four of the department's service officers serve in counties with high Native American populations and two of those service officers are Native American. Secretary Garcia reviewed materials regarding services and benefits provided to veterans, including capital outlay appropriations totaling \$5.7 million, transportation in privately owned vehicles and the plight of homeless veterans. Mr. Helwig described in detail the Native American Tribal Veterans Representative Program, the purpose of which is to guide, tutor and coach tribal veterans' representatives within each tribe and pueblo to assist tribal members in obtaining benefits for military veterans and their families. The goal is to have an accredited, trained representative within each tribe and pueblo that can communicate in the tribe or pueblo's native tongue and understand the nuances of tribal customs and principles.

Payday Lending in New Mexico — Administrative Rules

Ed Lopez, superintendent of regulation and licensing, and Bill Verant, director of the Financial Institutions Division, Regulation and Licensing Department, led off the discussion of regulating the payday loan industry. Superintendent Lopez reviewed the problems that have been caused by predatory lending in the payday lending industry and commented on the rules that had been promulgated earlier in the year but that had been stayed by court order. These rules were not an effort to usurp legislative authority, but rather an attempt to keep the issue alive before the public. One of the problems is that there is no independently verifiable information regarding the scope of the payday lending industry in New Mexico. The administration is committed to

finding a solution to the payday lending problem, and the discussion draft of the bill that may be sponsored by Representative Lundstrom represents a balanced approach to the problem along the lines of House Bill 409 during the 2006 legislative session. Superintendent Lopez and Mr. Verant reviewed data regarding the payday and car title lending industries in New Mexico. A problem that may arise in the future is the attempted conversion of payday loans into micro-installment loans.

John Rabenold, vice president of governmental affairs for Check 'N Go, addressed the issues from the industry perspective. He commented that there has been a lot of misinformation about the payday lending industry. Employees appreciate their jobs and customers appreciate the service provided by payday lenders. The industry has been and remains willing to work to find acceptable restrictions on payday lending. However, customers know about the terms of their loans and payday loans are a necessary product when used in a reasonable manner by responsible customers. He noted that the industry is subject to market forces and that if lower interest rates were feasible, some companies would be offering reduced fees. He also pointed out effective interest rates for bounced check fees; that some banks are also offering direct deposit pay advances; and that some credit unions are offering payday loans with up to five rollovers.

Zackeree Kelin, an attorney with DNA-People's Legal Services, commented that Native Americans are particularly vulnerable to predatory lending practices due to limited economic opportunities and higher rates of illiteracy. He disputed the claim that payday loans are high-risk and, therefore, justify high interest rates. Payday lending is bad for the community because it takes away limited discretionary income. The objective should be to do away with payday loans and instead create alternatives to predatory lending.

Mike Donnelly, an advocacy representative for AARP New Mexico, observed that this issue has been before the legislature for years and there has been no success in passing meaningful restrictions on payday lending. Part of the problem has been an inability to determine what constitutes a fair interest rate on payday loans. In the meantime, the status quo is unacceptable as it permits continuation of the "cycle of debt". AARP advocates the use of a database to track the payday lending industry, a 30-day minimum term for payday loans, a single rollover, a mandatory payment plan, a limit on the total amount of payday loans that can be taken out by a consumer, mandatory cooling off periods and a rate of \$8.00 per \$100 for interest and fees.

Following discussion and comments by committee members, Representative Lundstrom moved that the committee endorse for the 2007 legislative session the discussion draft she had presented to the committee. Senator Martinez seconded the motion. Senator Duran asked for a quorum count and it was determined that since there was not a quorum present of voting members of the committee, those present would be acting as a subcommittee. The motion passed with Senators Duran and Carraro voting no.

Native American Arts and Crafts — Certification Mark Program

Representative Lundstrom presented a discussion draft of a bill that would amend the Indian Arts and Crafts Sales Act to create a voluntary certification mark program. At the present time, there is no mechanism to certify that Indian arts and crafts items are authentic, and the

provisions of the Indian Arts and Crafts Sales Act have not been enforced over the years. The proposed certification mark program would establish an incentive for artisans to have their goods certified as being authentic and such certification could increase prices and sales. Superintendent Lopez expressed the Regulation and Licensing Department's strong support for the bill. Kathleen O'Dea, director of the Boards and Commissions Division, described the role of the Regulation and Licensing Department in the operation of boards and how the department might interact with the board established pursuant to the draft bill. The department would provide administrative support to the board but enforcement would still be the responsibility of the Office of the Attorney General or county district attorneys. Following questions and discussion by committee members, Senator Rodriguez moved that the committee endorse the draft bill for the 2007 legislative session. Senator Pinto seconded the motion and the committee, acting as a subcommittee, approved the motion without opposition. Representative Lundstrom suggested that the co-chairs work with Chase Van Gorder to determine the composition of the proposed board.

Following the presentations regarding the Native American arts and crafts certification mark program, Senator Pinto recessed the meeting at 4:20 p.m.

Friday, November 3 — Institute of American Indian Arts

The sixth meeting of the Indian Affairs Committee for the 2006 interim was called back into session by Senator Pinto on Friday, November 3, 2006, at 9:35 a.m. at the Institute of American Indian Arts (IAIA) in Santa Fe.

IAIA — Welcome and Status Update

Ramus Suina, tribal relations specialist at IAIA, welcomed the committee to IAIA and explained that the school's executives were out of state and could not attend the meeting. Mr. Suina briefed the committee on the nature of the school, including its student population and courses of instruction. He explained the progress that is being made on the Center for Lifelong Education and thanked the committee for supporting capital outlay appropriations for this project. Carl Duncan, president of the student government, also welcomed the committee and thanked it for its support of IAIA.

Native American Independent Living Initiative

Gil Yildiz, executive director of the Independent Living Resource Center (ILRC), and Joseph Ray and Juana Valencia, Native American liaisons with ILRC, presented the committee with their Native American Independent Living Initiative. ILRC is a private, nonprofit organization based in Albuquerque and serving 10 central New Mexico counties. The mission of ILRC is to empower people with disabilities through the provision of advocacy and services. They explained that the independent living movement is the civil rights movement for people with disabilities and explained what is included within the term "disability". Core services of independent living centers include information and referral, advocacy, independent living skills training and peer mentoring. Panel members shared the story of their disabilities and their struggle to find independent living once again. ILRC received a grant in 2005 to investigate independent living centers in pueblo communities. This grant led to the present proposal for two Native American independent living centers to be located initially in the Pueblos of Laguna and

San Felipe. The panel discussed the need for independent living centers in the Native American community and requested the committee's support for ILRC's capital outlay request in the upcoming legislative session.

International Film Festival

Bob Gruenig, interim executive director of the National Tribal Environmental Council (NTEC), and Veronica Tiller presented NTEC's request for an appropriation for an international indigenous environmental film festival to take place in 2008. NTEC is a nonprofit organization formed in 1991 that now has a membership of 184 federally recognized Indian tribes that is dedicated to working with and assisting all tribes in the protection and preservation of tribal environments. The \$500,000 appropriation request is for a film festival that will raise the awareness of environmental issues through indigenous voices and film, create partnerships to protect the people, natural resources and scenic vistas of Indian country, and promote New Mexico as a tourist and recreation destination. The proposal also includes production of a video for the purpose of promoting tourism on Native American lands in New Mexico and fostering environmental awareness as a way to preserve those lands.

Adjournment

There being no further business before the committee, the sixth meeting of the Indian Affairs Committee for the 2006 interim was adjourned at 11:27 a.m.